



FY2018 Procurement Annual Report

Presented By:

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Procurement Division
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Introduction

- On October 13, 2014, the Mayor and Council requested a procurement report be produced within ninety days of each fiscal year (June 30)
- The last procurement report was presented to the Mayor and Council on November 6, 2017
- This report is the fourth procurement annual report prepared for the Mayor and Council
- This report documents the activities from July 1, 2017 to June 30, 2018



FY18 Highlights

- Increase in use of competitive procurements (page 10)
- Decrease of non-competitive procurements (page 10)
- Significant decrease in change order transactions and spend (page 11)
- Continuous decrease of GAX transactions and spend (page 19)
- Increase in Mayor and Council awards for MFD vendors (page 20)



Overview

- FY2018 Summary
- Purchase Order Amount by Procurement Method and Department
- Competitive vs. Non-Competitive Procurement Method
- Change Orders by Procurement Method and Department
- Master Agreements by Procurement Method and Department
- FY2018 Expenditures by Type
- Top Vendor Spend
- Total GAX and P-card Spend
- MFD Outreach
- Other Items
- Glossary of Terms

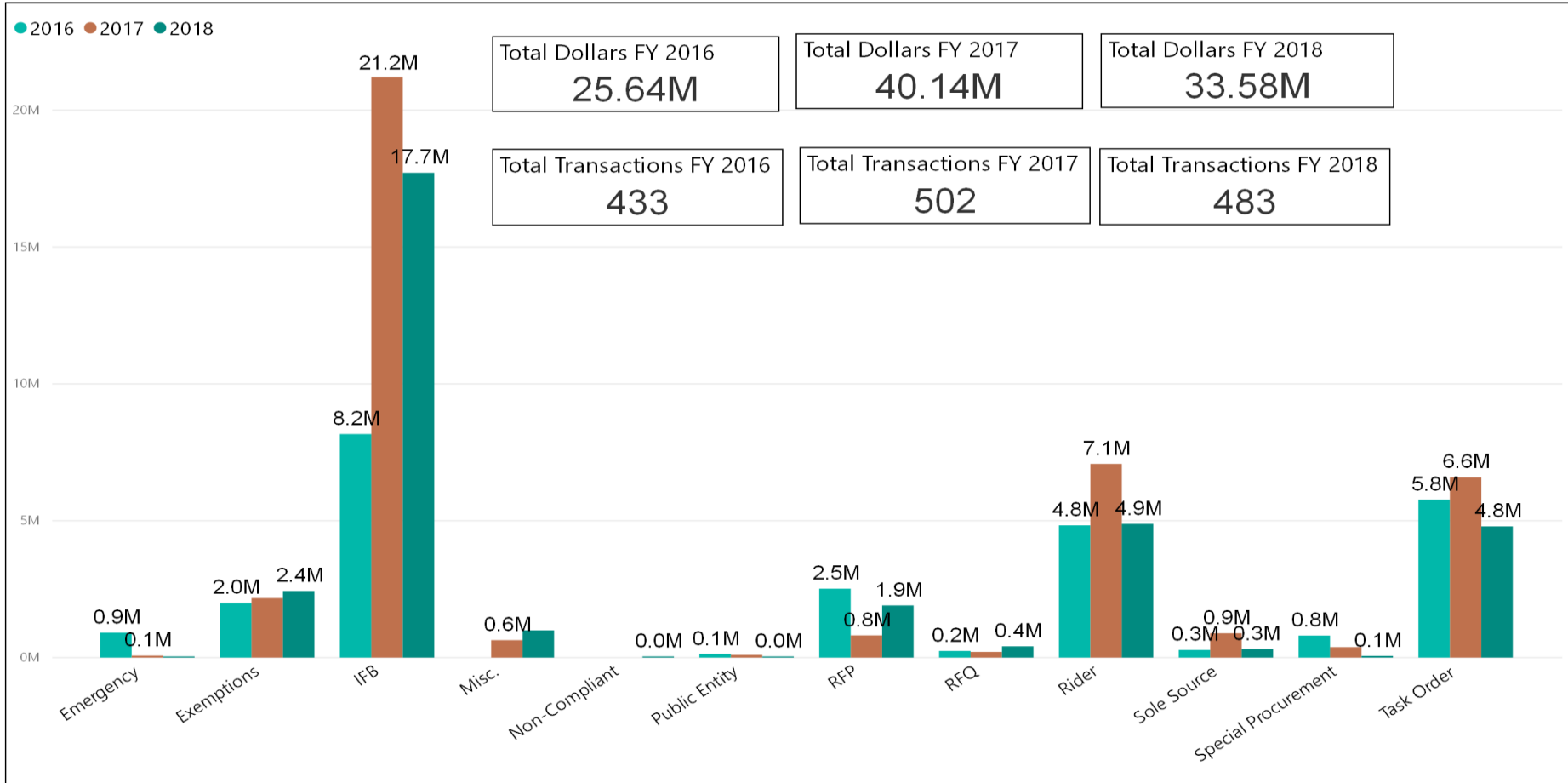


FY2018 Summary

Department	Total Expenditures	Purchase Orders	GAX Payments	P-card Payments	Master Agreements	Change Orders
City Attorney	317,926	55,854	21,993	12,182	227,897	-
City Manager's Office	1,706,872	1,069,470	84,740	546,748	-	5,913
Community Planning and Development Services	711,828	653,725	14,478	43,625	-	-
Finance	1,037,218	608,150	96,738	13,376	318,954	-
Human Resources	5,556,020	131,371	102,185	84,658	5,196,523	41,283
Information & Technology	2,229,063	2,097,283	13,606	63,576	52,092	2,506
Mayor & Council	501,696	132,279	54,386	2,195	312,837	-
Police	4,450,649	225,134	123,825	101,196	4,000,494	-
Public Works	34,874,175	17,931,104	219,970	784,754	15,622,517	315,878
Recreation & Parks	19,767,918	10,672,274	546,970	800,371	7,156,804	591,499
Non-departmental	215,605	-	215,605	-	-	-
Total	71,368,970	33,576,643	1,494,449	2,452,681	32,888,118	957,080



Purchase Order Amount by Procurement Method



Source: Info Advantage and PowerBI. The data contained in this document are estimates only.



Purchase Order Amount by Procurement Method

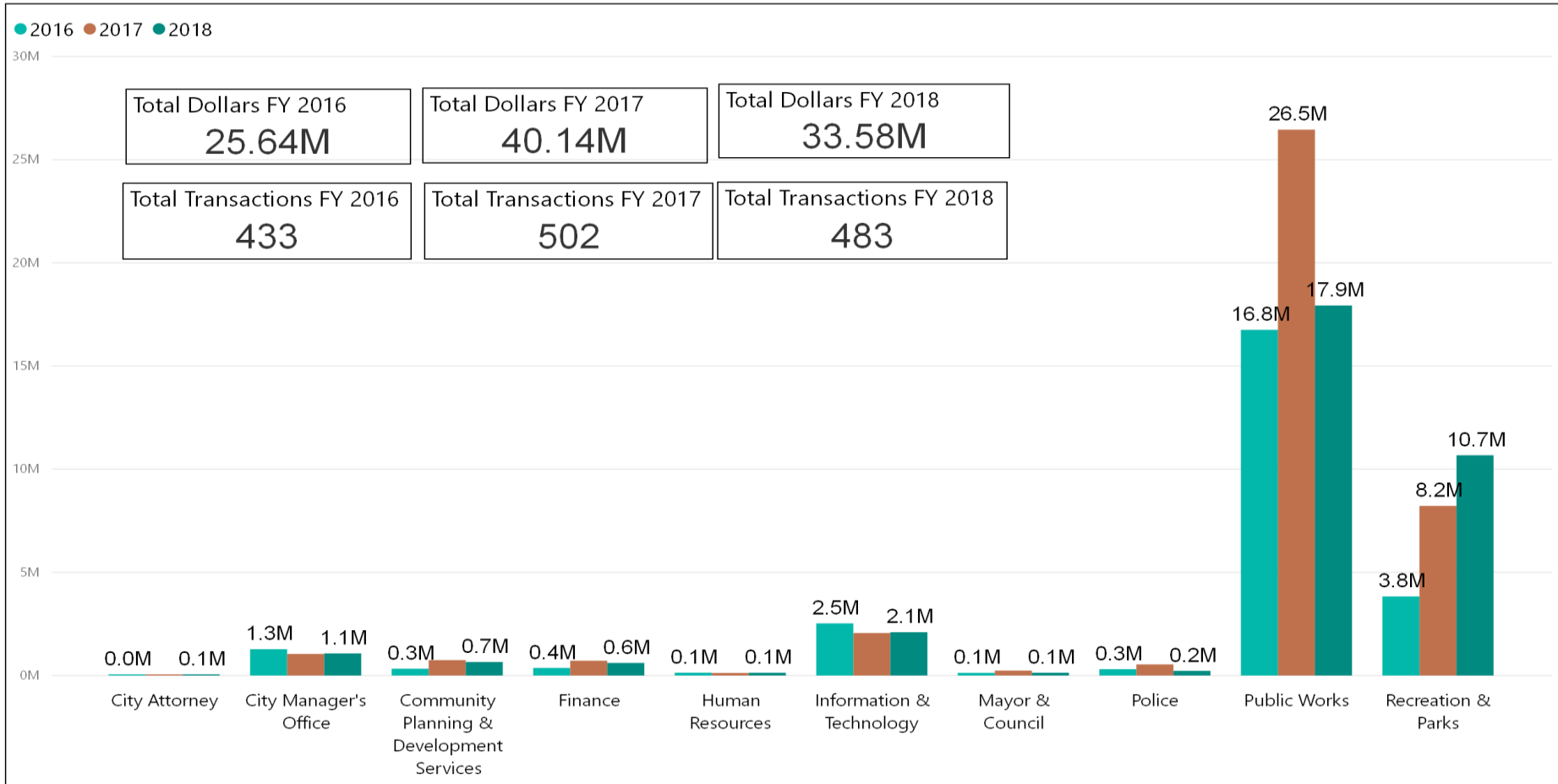
This table represents the total value and total transactions for purchase orders based on procurement method for FY2016 thru FY2018. The procurement method is governed by City Code Chapter 17. The most common utilized method is Invitation for Bids (IFB) with the least utilized method being contracts with public entities.

Method	2016	No. of Actions	2017	No. of Actions	2018	No. of Actions
Emergency	911,295.59	10	69,956.88	7	37,322	6
Exemptions	1,994,486.70	97	2,174,106.84	101	2,433,186	97
Invitation for Bids (IFB)	8,167,248.04	50	21,205,872.43	49	17,710,591	48
Miscellaneous	-	-	636,920.49	27	996,433	34
Public Entity	129,087.50	8	97,571.24	5	24,271	2
Request for Proposals (RFP)	2,517,513.67	16	812,688.36	19	1,904,696	22
Request for Quotes (RFQ)	241,988.89	34	206,582.78	23	410,203	50
Rider	4,830,493.41	158	7,076,252.27	177	4,884,666	149
Sole Source	277,112.07	10	889,656.20	40	314,831	19
Special Procurement	805,292.66	10	381,095.30	7	60,008	7
Task Order	5,767,929.47	40	6,588,176.16	49	4,793,277	47
Non-Compliant	-	-	-	-	7,160	2

Source: Info Advantage and PowerBI. The data contained in this document are estimates only.



Purchase Order by Department



Source: Info Advantage and PowerBI. The data contained in this document are estimates only.



Purchase Order by Department

This table represents the total value and total transactions for purchase orders by City department for FY2016 thru FY2018. The department with the most procurement activity is Public Works and Recreation & Parks.

Department	2016	No. of Actions	2017	No. of Actions	2018	No. of Actions
City Attorney	6,490.00	2	5,147.56	2	55,854	5
City Manager's Office	1,273,030.12	33	1,045,355.78	29	1,069,470	23
Community Planning and Development Services	327,986.22	14	746,527.48	23	653,725	26
Finance	364,381.80	9	716,096.57	28	608,150	17
Human Resources	132,944.92	10	123,032.57	13	131,371	12
Information & Technology	2,524,357.83	79	2,058,694.47	108	2,097,283	89
Mayor & Council	126,923.06	5	237,610.76	16	132,279	11
Police	305,183.11	19	537,019.07	21	225,134	23
Public Works	16,751,195.32	121	*26,451,337.96	131	17,931,104	130
Recreation & Parks	3,829,955.62	141	8,218,056.73	133	10,672,274	147

**This high dollar spend reflects items procured for Public Works through IFBs and Task Orders for construction-related projects in FY17.*



Competitive vs. Non-Competitive Procurement Method

Provided is a comparison of competitive and non-competitive procurement transactions for FY2016 thru FY2018. The highest percentage of competitive procurements include Invitation for Bids (IFB), which is the preferred method. The highest number of non-competitive procurements include cooperative (rider) contracts and exempt procurements.

Competitive Procurements

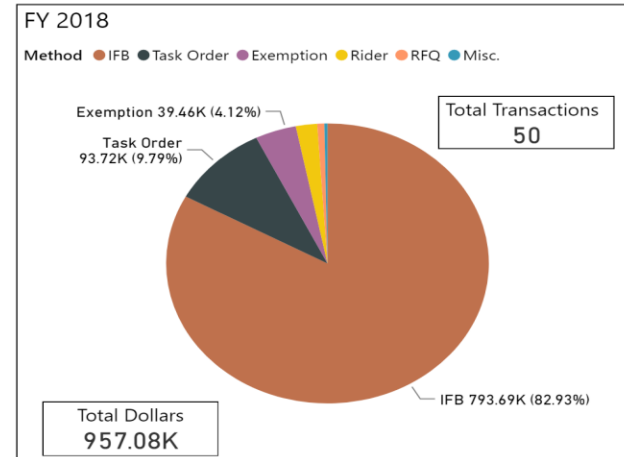
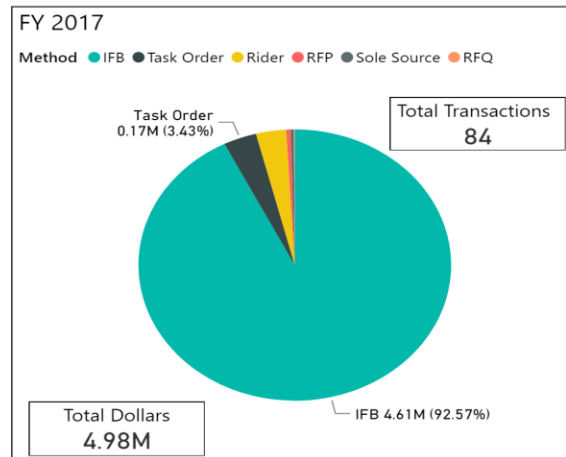
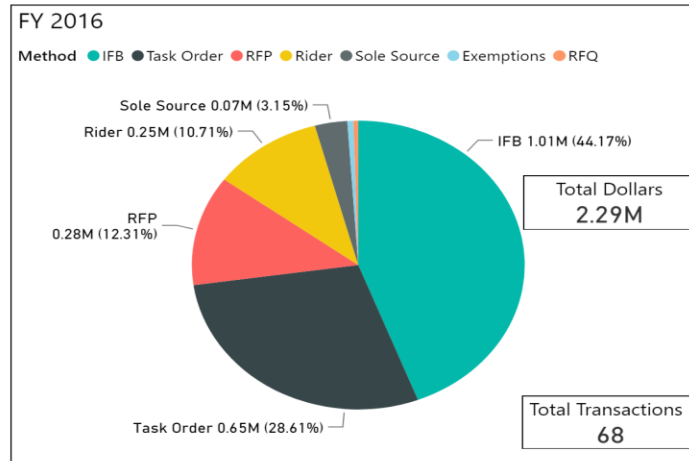
Procurement Method	FY2016	FY2017	FY2018
Invitation for Bids (IFB)	11.55%	9.72%	10%
Request for Proposals (RFP)	3.7%	3.77%	5%
Request for Quotes (RFQ)	7.85%	4.56%	10%
Task Order	9.24%	9.72%	10%
Total	32.34%	27.77%	35%

Non-competitive Procurements

Procurement Method	FY2016	FY2017	FY2018
Cooperative (Rider)	36.49%	35.12%	31%
Exempt	22.4%	20.04%	20%
Sole Source	2.31%	7.94%	4%
Misc.	-	5.36%	7%
Emergency	2.31%	1.39%	1%
Special Procurement	2.31%	1.39%	1%
Public Entity	1.85%	0.99%	<1%
Non-Compliant	-	-	<1%
Total	67.67%	72.23%	65%



Change Orders by Procurement Method



Source: Info Advantage and PowerBI. The data contained in this document are estimates only.



Change Orders by Procurement Method

This table provides the dollar values and number of transactions for all change orders/modifications based on the procurement method in which the original contract was awarded for FY2016 thru FY2018. The majority of change orders/modifications were initiated on contracts that were originally awarded via the Invitation for Bids (IFB) process.

Method	2016	No. of Actions	2017	No. of Actions	2018	No. of Actions
Exemptions	13,550.32	7	-	-	39,463	2
Invitation for Bids (IFB)	1,010,600.91	16	4,611,279.73	44	793,692	13
Request for Proposals (RFP)	281,749.17	11	23,395.00	2	-	-
Request for Quotes (RFQ)	10,631.25	2	4,294.02	2	6,749	4
Rider	245,000.97	15	155,529.20	14	20,476	12
Sole Source	72,027.45	4	15,975.71	2	-	-
Task Order	654,570.22	13	170,689.67	20	93,716	15
Misc.	-	-	-	-	2,983	4



Change Orders by Department

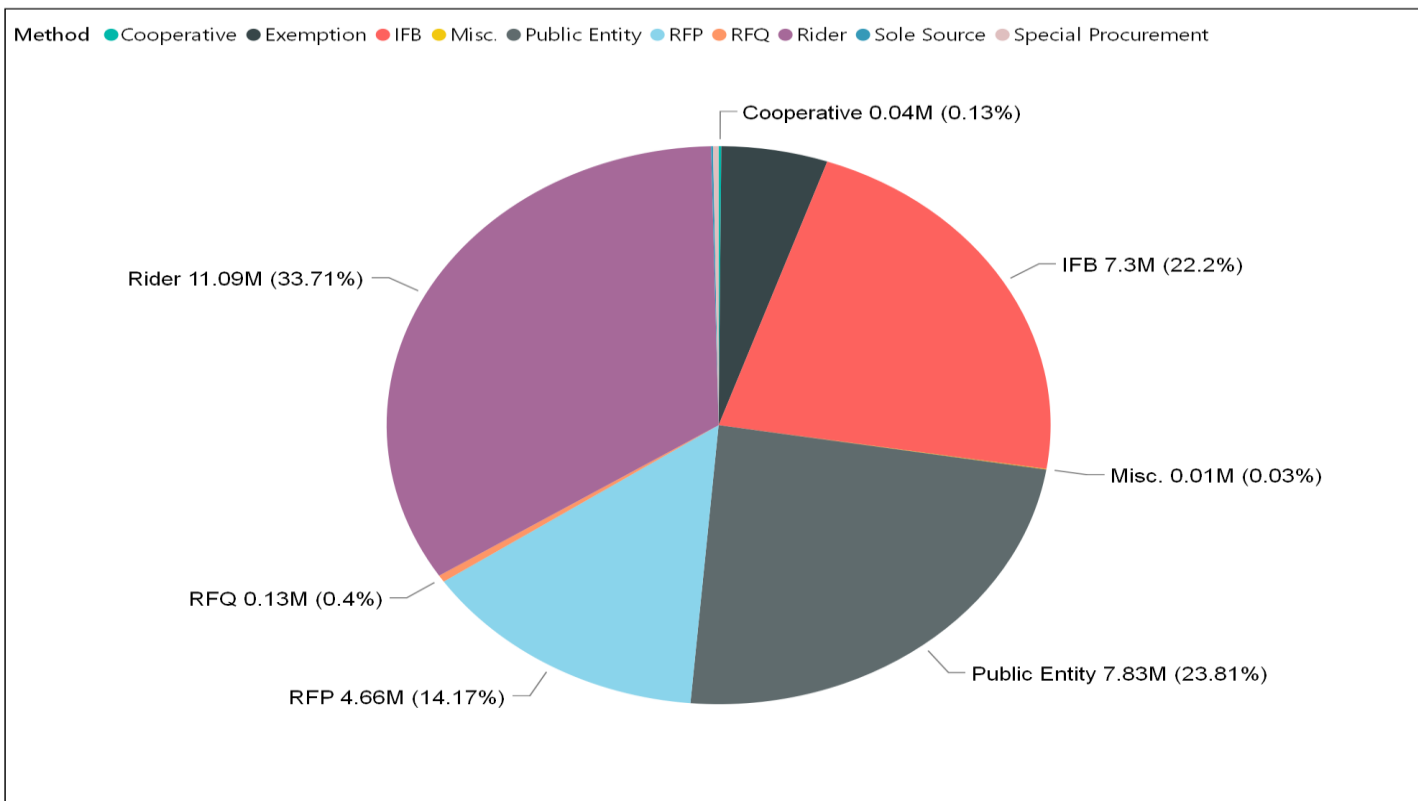
This table provides the dollar values and number of transactions for all change orders/modifications that were initiated by each City department for FY2016 thru FY2018. The majority of change order/modification dollars and transactions were initiated by Public Works and Recreation & Parks.

Department	2016	No. of Actions	2017	No. of Actions	2018	No. of Actions
City Manager's Office	5,355.96	3	7,613.50	2	5,913	2
Community Planning & Development Services	15,650.00	3	19,400.00	1	-	-
Finance	36,556.84	3	16,187.71	3	-	-
Human Resources	5,350.00	2	-	-	41,283	3
Information & Technology	4,202.82	6	2.00	2	5,506	5
Police	2,929.75	1	-	-	-	-
Public Works	1,629,528.90	25	4,594,619.36	52	315,878	22
Recreation & Parks	588,556.02	25	333,128.09	24	591,499	18



FY2018 Master Agreements by Procurement Method

This graph represents the total dollar value and total transactions for Master Agreements based on procurement method as of FY2018. Master agreements may span multiple years. The procurement method is governed by City Code Chapter 17.



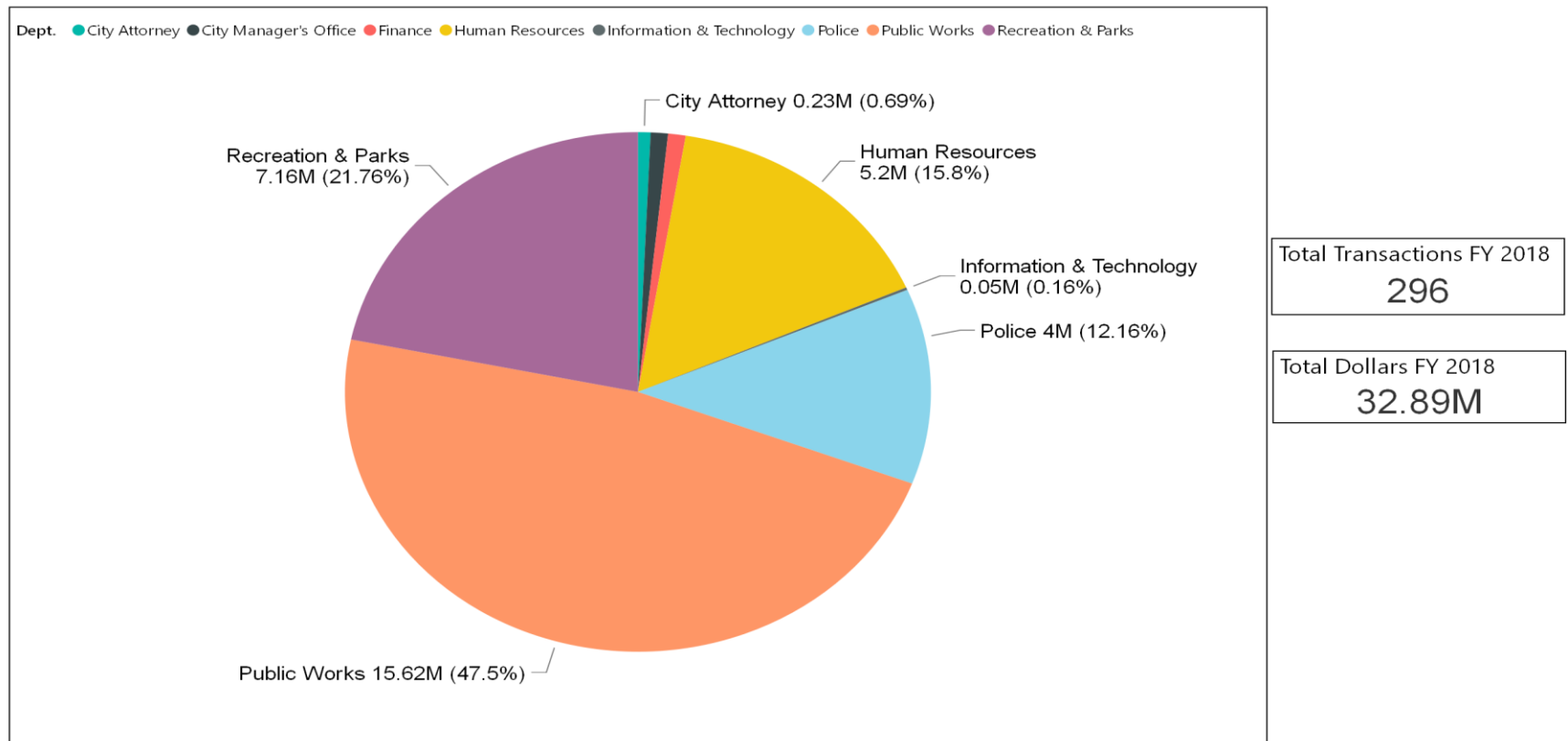
Total Transactions FY 2018
296

Total Dollars FY 2018
32.89M



FY2018 Master Agreements by Department

This table represents the number of transactions for master agreements by City department as of FY2018.





FY2018 Expenditures by Type

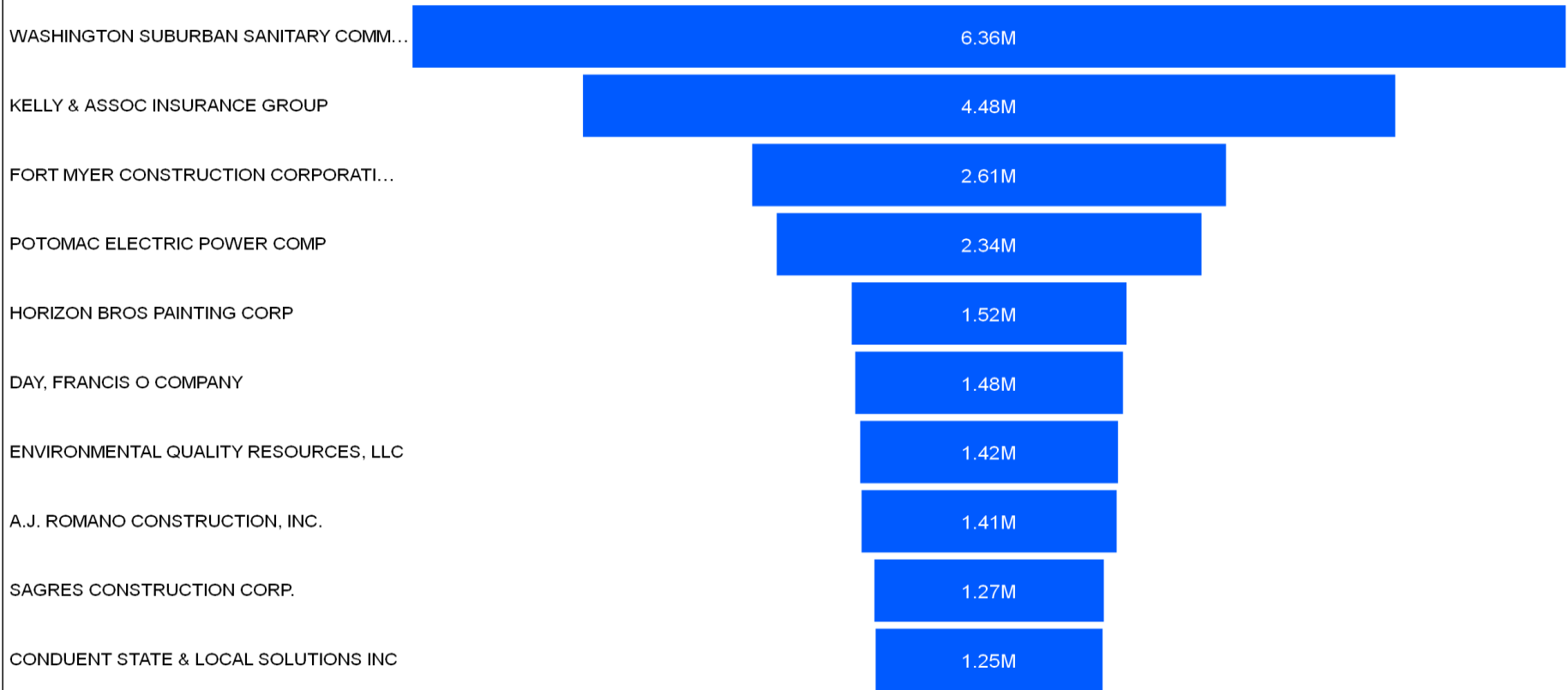
This graph provides the total dollar value of expenditures based on the most commonly used contract type or commodity procured by the City for FY2018. This graph does not reflect all of the object classes or categories.

Category	Purchase Orders	GAX Payments	P-card Payments	Master Agreements	Total
Supplies	251,962	155,857	1,214,539	118,034	1,740,393
Insurance	-	24,207	-	6,836,525	6,860,732
Construction	14,665,885	88,284	-	9,137,485	23,187,121
Fuel and Oil	-	27,220	14,583	739,502	781,305
Utilities	245,240	319	168	2,227,715	2,473,442
Vehicles	1,368,548	-	-	-	1,368,548
Information Technology	997,639	39,077	43,645	89,513	1,169,874
Equipment	257,347	13,396	393,229	22,922	686,895
Total	17,786,621	348,361	1,666,164	19,171,697	38,268,311



Top Vendor Spend for Purchase Orders and Master Agreements FY2017

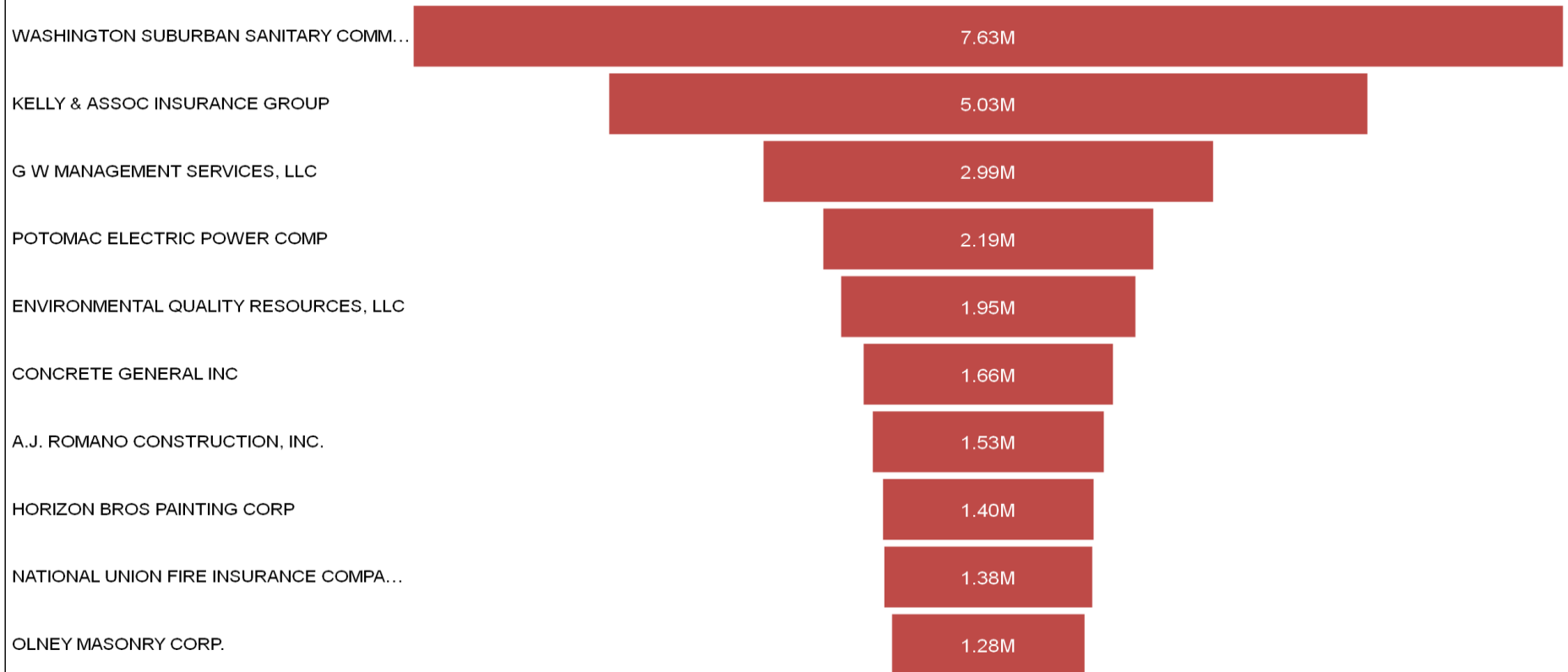
FY17 Top Vendor Spend





Top Vendor Spend for Purchase Orders and Master Agreements FY2018

FY18 Top Vendor Spend

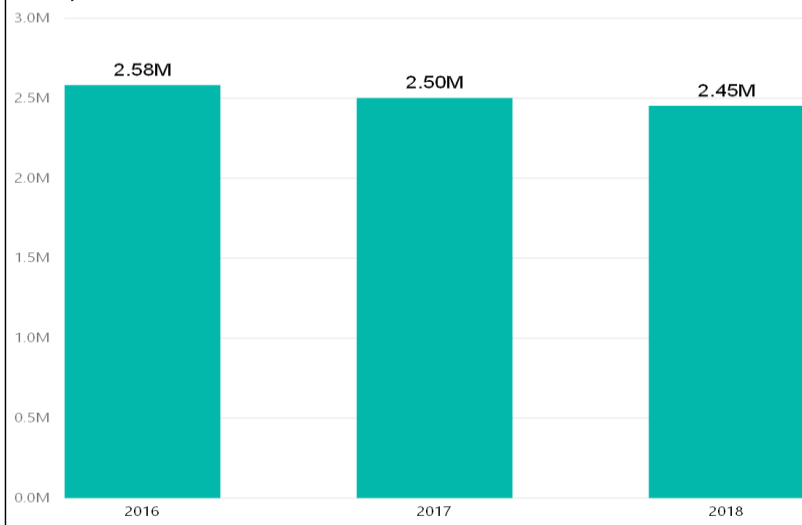




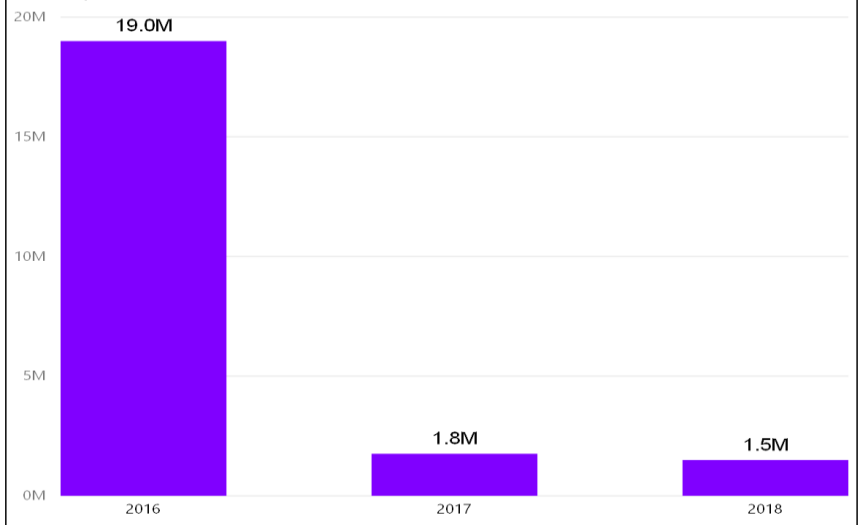
Total GAX and P-Card Spend

The graphs provided represent the total dollar value spent for GAX and P-card payments for FY2016 thru FY2018. The GAX spend continues to decrease due to the implementation of the GAX procedures that were developed in FY2016 as a result of the Procurement Consultant's recommendations.

CC Spend for FY 2016, 2017 and 2018



Gax Spend for FY 2016, 2017 and 2018





Minority, Female, & Disabled (MFD) Outreach Program

In FY2018, about 33% (\$1.8M) (from 28% in FY2017) of Mayor and Council award items, including multiple award contracts, were awarded to MFD businesses.

FY2018 MFD outreach activities include the following:

- Exhibited the MFD outreach program at 8 events
- Attended 1 outreach meeting
- Presented How to do Business at the City, with MFD emphasis, at 11 events (including 6 roundtable discussions)
- Conducted 46 formal one-on-one technical assistance meetings with businesses

This represents 66 activities where the Procurement Division had an opportunity to learn about MFD businesses and share ideas of how the City can make meaningful connections with these companies.



Other Items

Item	FY2016	FY2017	FY2018
Maryland Public Information Act (MPIA) Requests	7	6	11
Bid Protests	0	0	0
Terminated Contracts	0	0	0



Glossary of Terms

1. *Change Order/Contract Modification*: Any written alteration of specifications, delivery, period of performance, price, quantity, or other provision of an existing contract, whether accomplished by unilateral action in accordance with a contract provision or by mutual action of the parties to the contract.
2. *Cooperative Procurement (Rider)*: A **non-competitive method** of procurement used when the City enters into a contract with a Contractor who offers goods, services, insurance, or construction on the same terms as provided by other state or local governments or agencies who have arrived at those terms through a competitive procurement procedure similar to the procedure used by the City.
3. *Emergency Procurement*: A **non-competitive method** of procurement that is used in the event that there is a public threat to life, public health, welfare, safety, and/or operation and functioning of the City government.
4. *Exemptions*: A **non-competitive method** of procurement that provides for the direct purchase of specific products or services (e.g. works of art, recreational programs, grants, utilities) without following the competitive requirements as outlined by the City Code.



Glossary of Terms (cont.)

5. GAX: The GAX document is used to disburse funds directly for those activities not appropriate for competitive procurement methods (no dollar limit), or to pay for the purchase of goods and services for which the purchasing responsibility has been delegated to the using department in which P-card restrictions apply (\$3,000 limit).
6. Invitation for Bids (IFB): A **competitive procurement method** used to solicit competitive sealed bid responses. Award is generally made to the lowest responsive, responsible bidder.
7. Master Agreement (MA): A purchaser's written document to a supplier formalizing all the terms and conditions of a proposed transaction, such as a description of the requested items, cost of items being purchased, delivery schedule, terms of payment, and transportation. This document is often the result of a completed procurement process or contract; however, funds are not encumbered.
8. Protest: A written objection by an interested party to a solicitation or award of a contract with the intention of receiving a remedial result.



Glossary of Terms (Cont.)

9. Public Entity: A **non-competitive procurement** method used when the City contracts directly with other public entities for goods or services when such goods or services were obtained through competitive procurement procedures, or when the City contracts with any public entity to provide or receive any work or services of the type the City or such other public entity performs for its jurisdiction.
10. Purchase Order (PO): A purchaser's written document to a supplier formalizing all the terms and conditions of a proposed transaction, such as a description of the requested items, cost of items being purchased, delivery schedule, terms of payment, and transportation. This document allows an encumbrance of available funds and often is the result of a completed procurement process.
11. Request for Proposals (RFP): A **competitive procurement** method used to solicit proposals from potential providers (proposers) for goods and services. Price is usually not a primary evaluation factor. Provides for the negotiation of all terms, including price, prior to contract award. May include a provision for the negotiation of best and final offers.



Glossary of Terms (Cont.)

12. Request for Quotes (RFQ): An informal **competitive procurement method** where competitive unsealed bids are solicited.
13. Sole Source Procurement: A **non-competitive procurement** method where only one supplier possesses the unique ability or capability to meet the particular requirements of the City.
14. Special Procurement: A **non-competitive procurement** method used when it is determined that a unique or unusual circumstance exists that makes competitive procurement contrary to the City's interest.
15. Task Order: A written order defining a particular service and/or material with a definite project, price and time of completion which is used in conjunction with a work order contract to create an enforceable contract (i.e. A/E contract).